

The Accelerated Schools  
Fiscal Services Department (FSD)  
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THE  
ACCELERATED  
SCHOOLS

## **The Accelerated Schools**

### ***Fiscal Policies and Procedures Handbook***

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## THE ACCELERATED SCHOOLS FISCAL POLICIES AND PROCEDURES

### OVERVIEW

The Accelerated Schools' Board of Trustees (TAS Board of Trustees) has reviewed and adopted the following policies and procedures to ensure the most effective use of the funds of THE ACCELERATED SCHOOLS (TAS) to support the mission and to ensure that the funds are budgeted, accounted for, expended, and maintained appropriately.

1. The TAS Board of Trustees formulates financial policies and procedures, delegate's administration of the policies and procedures to the Chief Financial Officer (CFO) and reviews operations and activities on a regular basis.

2. —The CFO has responsibility for all operations and activities related to financial management. The CFO shall keep and maintain or cause to be kept and maintained adequate and correct accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains and losses. The books of account shall at all times be open to inspection by any trustee. The CFO shall deposit or cause to be deposited all monies and other valuables in the name and to the credit of the Corporation in such depositories as may be designated by the Board. The CFO shall disburse the funds of the Corporation as shall be ordered by the Board, shall render to the Chair of the Board and the trustees, upon request, an account of all transactions as CFO. The CFO shall present financial statements as well as an operating statement and report in such form and substance as determined by the Board or Finance Committee, since the last preceding board meeting, to the Board at all regular meetings. The CFO shall have such other powers and perform such other duties as may be prescribed from time to time by the Board.

- ~~3-2.~~ Financial duties and responsibilities must be separated so that no one employee has sole control over cash receipts, disbursements, payrolls, and reconciliation of bank accounts.
- ~~4-3.~~ The TAS Board of Trustees will commission an annual financial audit by an independent third-party auditor who will report directly to them. The Board will approve the final audit report, and a copy will be provided to the charter-granting agency. Any audit exceptions and/or deficiencies will be resolved to the satisfaction of the Board and the charter-granting agency.
- ~~5-4.~~ The Finance Committee ~~working with~~ and the Chief Executive Officer (CEO) and the Chief Academic Officer (CAO) can appoint someone else to perform the CFO's responsibilities in the case of absence.

### Strategic Fiscal Plan

The strategic fiscal plan achieves financial sustainability through disciplined fiscal policy to allow TAS vision to be achieved.

The strategic fiscal plan has a number of components focusing on a multi-year evaluation of measuring how effective current funds are being used, helping to identify long term financial needs

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and determining how today's decisions impact the future. The strategic fiscal plan provides for analysis and systems to ascertain that the current cost structure does not commit us to an unsustainable level of expenditures exceeding funding which will require sudden, drastic and painful cuts. The strategic fiscal plan's purpose is to help avoid deficit spending which will necessitate actions that will undermine our goals for education. The strategic fiscal plan enables us to evaluate our environment which include, but are not limited to, external funding source constraints, demographics, competition from other alternative education sources, social and cultural issues and technology to remain relevant. The strategic fiscal plan prepares TAS to respond to changes, demonstrates commitment to our mission and develops strategies to achieve our vision.

The main component of our strategic fiscal plan is a long range financial planning process developing financial forecasts at least three years into the future, incorporating present and future educational needs, actions the school needs to take to fulfill the needs, and how these activities will be funded. The Fiscal policy and procedures manual is one tool to help develop the fiscal discipline necessary to succeed by establishing operation fiscal guidelines and strengthening internal controls to safeguard the assets of the school. Based on the TAS Board of Trustee directive, on a fiscal year basis, each school should achieve a minimum of a 5% adjusted cash operating surplus to be used for future operating expenses, reserves for plant, property and equipment replacements, debt service and other financial obligations of TAS.

The TAS Board of Trustees has the ultimate responsibility and must be an integral part of developing strategies for financial balance in making policy level decisions. The CEO & CAO must implement the mission statement and vision set by the Board and lead the planning process along by being a liaison to the community. The CFO drives this process on a daily basis and must constantly focus on financial sustainability, balance and maintain a long-term perspective. The schools Director of Instructional and their Administrative team Principals are also an active participants in the financial plan, understanding how their decisions and communication to others impact the strategies necessary to achieve financial stability. Teachers must help identify insight into where efficiencies can be achieved to generate cost savings while minimizing any negative impact on our prime mission. The teachers' union (UTLA) and staff union (SEIU) serve in partnership with TAS in providing the flexibility and foresight to establish a working framework to maximize the allocation of resources. Finally, parents must participate in creating support for funding initiatives which help provide the education our community's children expect and deserve.

### **Annual Financial Audit**

1. The Audit committee shall operate as detailed in the TAS bylaws and not include paid or unpaid staff or employees of TAS. Any persons with expenditure authorization or recording responsibilities within the school may not serve on the Audit Committee - per TAS as reflected in the TAS Bylaws, Article IV, Section 1821, item c.  
TAS will contract up to three years for the services of an independent Certified Public Accounting Firms to perform an annual audit. Every three years the CFO working with the Audit Committee will solicit and select bids from independent Certified Public Accounting firms to perform the annual fiscal audit. The Audit Committee will approve the fiscal audit. The annual fiscal audit report will be approved by the Board prior to December 15<sup>th</sup> of the following fiscal year.
2. The audit shall include, but not be limited to:
  - a. An audit opinion whether the financial statements are a fair presentation in all material respects of the financial position of TAS in accordance with accounting

- b. principles generally accepted in the United States of America
- b. An opinion whether TAS complied with the laws and regulations of the applicable state programs in all material respects.
- c. An audit of the internal control practices
- d. An audit of applicable Federal awards and major Federal programs

**PURCHASING**

1. The TAS Board of Trustees recognizes its fiduciary responsibility to oversee the prudent expenditure of school funds. ~~In order to~~To best serve the school interests, the CFO shall develop and maintain effective purchasing procedures, see procurement policy, that are consistent with sound financial controls and that the school receives maximum value for items purchased. The CFO shall ensure that records of expenditures and purchases are maintained in accordance with the law. The purchase of equipment and supplies for use within the school shall be the responsibility of the Fiscal Service Department (FSD) or under its direction. By centralizing and controlling the purchase process this allows ~~us~~TAS to build strong vendor relationship, creating formularies to identify the vendor with the best pricing for the needed product or service. By consolidating these ~~functions~~functions. it has allowed us to maximize our efficiency and effectiveness in our purchasing decisions, and use the buying power of purchasing organizations, like EdBuy, NJPA and HPSI to put the buying power of many to our advantage. Our Fiscal Policy and Procedure Handbook does not address every conceivable scenario which might occur nor should it supersede or trump common sense, but tries to provide flexibility and guidelines with the least bureaucratic hurdles to obtain items or services at the most competitive pricing in a timely manner to drive our school's goal and purpose. Shown below are procedures we utilize for purchasing. The CFO may authorize expenditures and may sign related contracts within the approved budget.
2. When approving purchases, the CFO must:
  - a. Determine if the expenditure is budgeted and if not within budget why expected amounts exceed budget and what allowance can be made.
  - b. Determine if funds are currently available for expenditures (i.e. cash flow)
  - c. Determine if the expenditure is allowable under the appropriate revenue source
  - d. Determine if the expenditure is appropriate and consistent with the vision, approved charter, school policies and procedures, and any related laws or applicable regulations.
  - e. Purchase orders will be used when it is required by the vendor or it is appropriate and beneficial to the school.
  - ~~f. Determine if the price is competitive and prudent. See procurement procurement policy for procedures based on purchase amounts.~~
  - ~~f. \_\_\_\_\_~~
3. Any individual making an authorized purchase on behalf of the school must provide the CFO FSD with appropriate documentation of the purchase.
4. Individuals who use personal funds to make unauthorized purchases not related to school business will not be reimbursed. Authorized purchases will be reimbursed by a bank check (or petty cash for minor purchases) upon receipt of appropriate documentation of the purchase.
5. Public funds shall not be expended for the purchase of alcoholic beverages.
6. Procedure for purchase and distribution of Instructional Supplies, where school funds are used, as follows:

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Principals working with the CAO, Director of Curriculum & Instruction and the CFO will develop an instructional supply budget ~~by June for the following Fiscal Year.~~

~~All~~ Purchases of supplies will be made through the FSD and/or through their direction and authorization.

New teachers we be given a fixed allowance to purchase classroom supplies with approval of their Administrator team. The FSD will track expenses to see that the allowance is not exceeded.

~~An inventory will be maintained on a spreadsheet showing the inventory balance remaining.~~

On a semi-annual basis, a physical inventory will be taken and an inventory spreadsheet will be completed of the major items in stock, verifying the counts against the perpetual inventory amounts, noting shrinkage and other exceptions.

- A. When product is delivered, ~~delivery receipt is signed and~~ boxes are put in a temporary storage space
- B. The FSD directs and informs the Facility or other Staff where to place or distribute FSD ordered supplies.
- C. All general instructional supplies will be placed in the appropriate storage area, except for specific instructional based items designated for an individual teacher or staff.
- D. Front office or other approved staff opens each box and checks items against packing list and/or order list, places the items in the appropriate storage spot ~~and updates the inventory spreadsheet.~~
- E. Staff submits a request for supplies electronically through the TAS portal. The requests are reviewed by the FSD and the CFO. If the requests exceed the budgeted amount or are for items not normally supplied, the CFO discusses the request with the school principal before distribution or procurement. Front office personnel through the portal will keep staff informed as to the status of their request.

## CREDIT CARDS

1. The ~~CEO or~~ CEO, CAO or CFO may authorize an individual to use a school credit card to make an authorized purchase on behalf of the school, consistent with guidelines provided by the ~~CEO and/or~~ TAS Board of Trustees. All activity will be summarized on a monthly spreadsheet with the corresponding backup attached and reviewed by the CEO, CAO or CFO. Receipts should show all itemized charges. The current threshold for each cardholder will be their monthly credit limit on their credit card which is presently \$34,500 for the CEO, \$10,000 for the CFO and up to \$2,500 for any other authorized user. Any additional amounts or changes in credit limit over the current amount must first be authorized by the ~~CEO, or CAO and/or~~ CFO.
  - a. If credit card receipts are not available documentation will be required including purchase amount, date of purchase, name of vendor and detailed explanation of purchase and reason for purchase or the individual making the charge will be held responsible for payment. This form will be signed by the purchaser and countersigned by a different officer of the school from the purchaser.
  - b. All restaurant charges must have a complete and detailed receipt, who was present and the purpose of the meeting. Any unauthorized purchases or missing receipts

- or detail of meeting will result in cardholder paying for the entire charge.
- c. All Wells Fargo credit cards will bear the names of both CHARTER SCHOOL and the employee. All store branded credit cards or purchasing cards will have the name of the Charter School and can only be used for purchases within that store or gas station by authorized users.
  - d. Debit cards are not allowed.
  - e. The school's credit card should only be used for school business purposes. In the event the card is used for any unauthorized purchase or the documentation is insufficient to show that it was for permissible expenditures, funds must be reimbursed to the school for the charges.
  - f. Charges treated as advances, which are not expensed to any school operation, are allowed upon approval by an Officer, which must be entirely reimbursed through privately sourced funds. A schedule will be maintained by the FSD and upon request reimbursement will be received. Since these charges are not expenses of the school but by the funder, complete documentation is desired, but not required.

### **Petty Cash**

1. The CFO or other designated employee will manage the petty cash fund.
2. The petty cash fund will be capped at \$500.
3. All petty cash will be kept in a secure locked ~~safe~~ petty cash box in a locked drawer or file cabinet.
4. All disbursements will require proper documentation.
5. At all times, the petty cash box will contain receipts and cash totaling the petty cash fund amount.
6. When expenditures total \$300, or at the CFO's discretion, the petty cash will be replenished. This should be done on at least a quarterly basis. Supporting receipts will be attached to the reimbursement request form.
7. Any irregularities in the petty cash fund will be immediately reported in writing to the CEO and CAO.
8. Loans will not be made from the petty cash fund.
9. CEO or CAO may conduct surprise counts of the petty cash fund.

### **Contracts**

1. Consideration will be made of in-house capabilities to accomplish services before contracting for them.
2. The FSD or other appropriate departments will keep and maintain a contract file evidencing the competitive bids obtained (if any).
  - a. Competitive bids will be obtained where required by law or otherwise deemed appropriate and in the best interests of the school.
3. Written contracts clearly defining work to be performed will be maintained for contract service providers (i.e. consultants, independent contractors, subcontractors).
  - a. Contract service providers must show proof of having adequate liability insurance and worker's compensation insurance currently in effect. The CFO may also require that contract service providers list the school as an additional insured.

4. If the contract service provider is a sole proprietor, partnership, LLC or professional organization like attorneys or accountants, the FSD will obtain a W-9 from the contract service provider.
  5. The CEO, CAO and/or the CFO will approve proposed contracts and modifications in writing.
  6. Contract service providers will be paid in accordance with approved contracts as work is performed.
  7. The CEO, CAO and/or the CFO will be responsible for ensuring the terms of the contracts are fulfilled.
  8. It is prohibited to offer, accept or attempt to accept inducements for favorable treatment in awarding contracts or doing business with outside vendors for materials, equipment or services of any kind. See Conflict of Interest Policy.
  9. Potential conflicts of interest will be disclosed upfront, and any TAS employee the CEO and/or member(s) of TAS Board of Trustees with the conflict will excuse themselves from discussions and from voting on the contract.
- ~~9. TAS Board of Trustees with the conflict will excuse themselves from discussions and from voting on the contract.~~

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#### ACCOUNTS PAYABLE

##### Invoice and Bank Check Authorization

1. Our review and approval process begins starts in when the FSD receives where all original invoices will be forwarded to the FSD for for processing. For recurring expenses, a complete review of the charges is performed, such as with utility bills comparing the amount billed to the prior period and the year before. For invoices billed under contract, lease or agreement, we will a review is done verifying that the charges properly reflect the agreed amount, and when necessary send these billing are forwarded to the department manager for verification that services billed were rendered. When there is direct knowledge of the transaction within the FSD, the CFO can authorize payment of the invoice without additional approval. The check signer reviews all documentation prior to signing checks. Email documentation can be used for verification and the approval purposes and no additional approvals will be necessary other than by the CFO.
2. ~~All~~ Other invoices are forwarded to the appropriate department managed by either the Principal, Department Heads, ~~Managers,, Directors and Managers, C&AO, CEO &/or~~ responsible staff who will review the invoice, initial for approval and return invoice to FSD for processing. An email will be accepted as in lieu of initials for approval on an invoice. All appropriate documentation will be attached to the invoice. ~~..~~
3. ~~All~~ invoices will be ~~coded~~ for accounting input and submitted to the CFO for approval to proceed. ~~All invoices must be authorized by either the CEO or CFO.~~
4. After approval, the invoice will then be entered into the accounting system for payment.
5. The CFO or other designated employee of the FSD will then determine the invoices to be paid and process the payment.
6. The FSD will attach all documentation to the check for signature by the CEO, CAO or other authorized signer, designated by the Board, who reviews the payment and signs the check returning it to the FSD for distribution
7. The FSD will copy all checks and distribute them as follows:
  - a. Original – mailed or delivered to payee
  - b. Duplicate check or check stub attached to invoice and filed by vendor name and

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- c. ~~Voided checks will have VOID written across them in ink and maintained in a separate file.~~

~~As reflected above~~ Usually two officers approve and/or review invoices by initialing the invoice or signing the check, and when applicable and it pertains to their department, a manager third employee can reviews and signs the approve the invoice ~~approving it~~ for payment. These existing checks, balances and redundancies contained in our policies help safeguard and protect our assets ensuring that the expenses have been budgeted, are accurate and correct, and are appropriate. These procedures coupled with our robust segregation of duties have created a strong stewardship of our assets driving outstanding financial results without adding layers of bureaucratic morass to our process always making decisions putting our students first.

### **Bank Checks**

1. TAS Board of Trustees will approve, in advance, the list of authorized signers on the school account. The CEO, ~~the Founder, the CAO~~ and any other employee authorized by the Board may sign bank checks within established limitations.
2. TAS Board of Trustees ~~w~~will be authorized to open and close bank accounts.
3. The CFO will be responsible for all blank checks and will keep them in a secure place.
4. ~~The CEO or Founder or other Board authorized designee will sign checks.~~ Checks may not be written to cash, bearer, or petty cash. Under no circumstance will any individual sign a blank check.
5. When a check is payable to an authorized check signer or payment is being issued on an authorized check signer's credit card account, the check will be signed by a different authorized signer.
6. The FSD will record the check transaction(s) into the accounting system.
6. Checks in an amount over \$50,000 will require 2 signatures from our operating accounts at California Credit Union.

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### **Bank Reconciliation**

1. Bank statements will be received by the FSD.
2. The FSD ~~will examine a sample of Account Payable checks when available for date, name, cancellation, and endorsement. Any discrepancies regarding the paid checks or will review all~~ outstanding checks over 90 days ~~will be researched and if when~~ applicable voided or reissued check.
3. The FSD will prepare the bank reconciliation ~~on a monthly basis~~ monthly, verifying from the bank statements and transactions within our accounting system and make ~~facilitating~~ any necessary reconciliation corrections.
4. The FSD will compare the reconciled bank balance to the cash in the bank account and to the general ledger, immediately reporting any material discrepancies to the CFO. ~~The~~

~~person~~ An employee within the FSD will reviewing and approving the bank reconciliation, ~~Senior Accountant or CFO, by will~~ initialing and dateing the bank reconciliation document when they completed their review.

#### ACCOUNTS RECEIVABLE

1. A schedule Documentation will be maintained for accounts receivable by the FSD.
2. Accounts receivable will be recorded by the FSD in the general ledger and collected on a timely basis.

#### Cash Receipts (Cash and Checks)

1. For fundraising, cafeteria sales or other events in which cash or checks are collected; a responsible employee will be designated who will be responsible for holding all funds for these activities.
  - ~~a. Where applicable, an employee will record each transaction in a receipt book at the time the transaction is made, with a copy of the receipt provided to the donor.~~
  - ~~b.a.~~ The cash, checks, receipts, and deposit summary must be given to the FSD on a timely basis. At all times cash and checks will be put in a locked secure place.
  - ~~e.b.~~ The FSD will verify the amount of the deposit. Any discrepancy will be discussed with the appropriate department.
  - ~~d.c.~~ A reconciliation schedule will be done by the FSD and communicated to those affected. The FSD will track all fundraising revenues and provide a schedule showing funds raised and spent.
2. Cash/checks dropped off at the school office will be given to the FSD.
  - a. The FSD will count and verify the cash/check amounts recorded by other employees, and sign off on the amounts received.
3. Mail received at the school will be placed in the appropriate staff mailbox.
4. All checks will be endorsed with the school deposit stamp, containing the following information: "For Deposit Only; The Accelerated Schools; Bank Name; Bank Account Number."
5. A deposit slip will be completed by the FSD. The deposit slip will be duplicated and documentation for all receipts (copy of check, letter, etc.) will be attached to the duplicate deposit slip. All cash will be immediately placed into a locked secure place.
6. The duplicate deposit slip and deposit receipt will be attached to the deposit documentation and will be used to post into the accounting system and attached to our bank reconciliation.

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#### Returned Check Policy

1. A returned-check processing fee will be charged for checks returned as non-sufficient funds (NSF). Unless otherwise pre-approved by CFO, payment of the NSF check and processing fee must be made by money order or certified check.
2. ~~In the event that~~ If a second NSF check is received for any individual, in addition to the processing fee, the individual will lose check-writing privileges. Payment of the NSF check, the processing fee and any subsequent payment(s) by that individual must be made by money order or certified check.
4. In the case of NSF checks written by parents of students, failure to pay may result in the withholding of report cards/transcripts at the end of the semester and/or school year until payment is received, ~~unless other mutually agreeable arrangements are approved~~

5. ~~by the CEO and/or The Accelerated Schools' Board of Trustees.~~  
If unsuccessful in collecting funds owed, the school may initiate appropriate collection and/or legal action ~~at the discretion of the CFO, CEO and/or The Accelerated Schools' Board of Trustees.~~

#### PERSONNEL

1. The Human Resource Department (HR) ~~is will be~~ responsible for all new employees completing or providing ~~all of all~~ the necessary personnel documents to comply with all laws and regulations.
2. HR will be responsible for maintaining all TAS personnel information.
3. An employee's hiring is not effective until the employment application, form W-4, form I-9, and all required hiring steps have been completed. Each new employee will be given a copy of TAS Personnel Policy Handbook, which is designed to acquaint TAS employees with policies and procedures pertaining to employment and benefits.

#### PAYROLL

##### Timesheets

1. All hourly employees will be responsible for completing a semi-monthly timesheet including sick days requested. The employee and the appropriate supervisor will sign the completed timesheet.
2. The completed timesheets will be submitted to the FSD on the day after the last working day of the designated payroll period.
3. Incomplete timesheets will be returned to the signatory supervisor. ~~No employee will be paid until a correctly completed timesheet is submitted.~~
4. If an employee is unexpectedly absent and therefore prevented from working the last day of the pay period or turning in the timesheet (such as an employee calling in sick), the employee is responsible for notifying the signatory supervisor or for making other arrangements for the timesheet to be submitted. However, the employee must still complete and submit the timesheet upon return.

##### Overtime

1. Overtime only applies to non-exempt employees. Any hours worked ~~in excess of more than~~ an employee's regular work schedule must be pre-approved by the supervisor, unless it is prompted by an emergency. Overtime will not be granted on a routine basis and is only reserved for extraordinary or unforeseen circumstances. If a supervisor identifies a recurring need for overtime in any given position, the supervisor should immediately consult with the CFO for further guidance.

##### Payroll Processing

1. Hourly employees must complete either manually or when applicable through a time clock or computer portal, time reports showing hours worked including start time, meal periods and departure time. The FSD will monitor number of hours worked versus scheduled hours and request explanations from department supervisors for variances. The department

managers will approve these timesheets including overtime. \_

2. Salaried employees must sign into a log book indicating days present and days not at school and the appropriate code. Human Resources will provide the designated school employee with any payroll-related information such as amount of sick leave, vacation pay, and/or any other unpaid time remaining and taken. Any additional pay requests must be submitted to the FSD by the first day of the following month or as directed via email.
3. For substitute teachers, the Front Office will maintain a log of teacher absences and the respective substitutes that work for them. The Front Office will verify that the substitutes initial the log next to their names before they leave for the day and those teachers, upon ~~returning back~~ returning to work, initial next to their names. This form will be verified and signed by the appropriate supervisor and submitted to HR
4. The FSD will check and calculate the hours worked and submit the payroll based on the employee's time sheets.
5. The payroll checks or stubs will be delivered to the school. The FSD will verify that all payroll documents were received and review them prior to distribution. FSD will place all payroll documents in an envelope and distribute them. Live checks are placed in the front office for pickup. Checks which are not picked up are mailed within two school days unless prior arrangements are made.

#### **Payroll Taxes and Filings**

1. The FSD will ~~process payroll tax deposits, prepare payroll check summaries, tax and withholding summaries, and other payroll tracking summaries.~~
2. The FSD will prepare the State and Federal quarterly payroll tax returns and any required annual payroll tax forms, and the CFO will ~~sign review~~, and the FSD will submit the forms to the respective agencies.

#### **Record Keeping**

1. HR will maintain written records of all full-time employees' use of sick leave, vacation pay, and any other unpaid time.
  - a. HR will immediately notify the FSD if an employee exceeds the accrued sick leave or vacation pay, or has any other unpaid absences.
  - b. Records will be reconciled when requested by the employee. Each employee should maintain personal contemporaneous records.

### **EXPENSES**

#### **Expense Reimbursements**

1. Employees will be reimbursed for expenditures upon presentation of appropriate documentation and authorization by their supervisor. All expenditures for meals must have an itemized receipt to be reimbursed.
2. Employees will complete expense reports as necessary, and submit them to FSD. All requests for reimbursement ~~must~~ should be submitted no later than 30 days from the date of the expenditure.

3. Receipts or other appropriate documentation will be required for all expenses to be reimbursed.
4. The employee and their Supervisor must sign the expense report reimbursement requests.
5. CEO expense reports should be approved by the CFO and submitted to the FSD for processing and payment.

### **Travel**

1. Employees will be reimbursed for mileage when on school related business. Mileage will be reimbursed at the IRS mandated rate for the distance traveled.
2. The CEO, CAO or CFO must pre-approve all out of town travel.
3. Employees will be reimbursed for overnight stays at hotels/motels when pre-approved by the CEO or CFO and the event is more than 50 miles from the employee's residence or school site. Hotel rates should be negotiated at the lowest level possible, including the corporate, nonprofit or government rate if offered, and the lowest rate available.
4. Travel advances require written approval from the CEO.
5. After the trip, the employee must enter ~~all of~~ the appropriate information on an expense report and submit it to the CFO for approval and then on to the FSD for processing.
6. If the advance exceeds the amount of the receipts, the employee will pay the difference immediately in the form of a check.
7. If the advance is less than the amount of the receipts, the difference will be reimbursed to the employee in accordance with the expense report.

### **Governing Board Expenses**

1. The individual incurring authorized expenses while carrying out the duties of the school will complete and sign an expense report.
2. The CEO or CAO will approve and sign the expense report, and submit it to the FSD for payment.

### **Telephone Usage**

1. Employees will not make personal calls on the telephones without prior approval from a supervisor.
2. Employees will reimburse the school for all personal telephone calls.

## **FINANCE**

### **Financial Reporting**

1. In consultation with the CEO, CAO, ~~and~~ the Administrators, Director and Managers, the CFO will prepare the annual financial budget for approval by the TAS Board of Trustees. The preliminary budget for the next fiscal year will be developed in April. Prior to June 30<sup>th</sup>, a tentative operating budget will be presented to the TAS Board of Trustees for approval. A final budget will be presented to the Board for approval during their

August first meeting of that fiscal year.

2. The CFO will submit a monthly balance sheet and monthly revenue and expense summaries to the CEO and CAO including ~~a review of the discretionary accounts and any revenue or expenditures line items~~ that are substantially over or under budget or vary significantly from the prior year. Financial reports will be reviewed at the scheduled board meeting and by Board committees and action will be taken, if appropriate.

The CFO will provide the CEO, CAO and/or TAS Board of Trustees with additional financial reports, as needed. At each TAS Board of Trustees meeting the Trustees perform their fiscal due diligence by receiving numerous financial information documents highlighting expenditures which have significantly increased or decreased from the prior year with the reasons why, and financial statements comparing actual expenditures to the budget both on a monthly and annual basis showing any significant variances. Additional financial reports are provided for each school and on a consolidated basis including the Statement of Financial Position, Statement of Activities both from a year to date and projected annual amount prospective, two separate Statement of Cash Flow, an available funds analysis comparing our present financial position with years' past, an analysis of revenue and expenses comparing them to prior years, and other relevant financial data to keep our Trustees informed as to the financial progress our schools have been able to achieve.

### **Loans**

1. ~~—~~ The CEO, CAO and the TAS Board of Trustees will approve all loans from third parties. In the case of a long-term loan, approval may also be required from the charter-granting agency in accordance with the terms of the charter petition and/or other lenders in accordance with the loan documents. Employee loans are not allowed.

~~2. Once approved, a promissory note will be prepared and signed by the CEO before funds are borrowed.~~

~~3. Employee loans are not allowed.~~

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### **Financial Institutions**

1. Funds will be maintained at high quality financial institutions.
2. All funds will be maintained or invested in high quality funds or instruments.
3. Physical evidence will be maintained on-site for all financial institution transactions.

### **Retention of Records**

1. Financial records, such as transaction ledgers, canceled/duplicate checks, attendance and entitlement records, payroll records, and any other necessary fiscal documentation will be retained for a minimum of seven (7) years. At the discretion of the TAS Board of Trustees ~~or CEO,~~ certain documentation may be maintained for a longer period of time.

2. The Fiscal Services Department will retain records at their site for a minimum of three (3) Years; after which, the remaining five years can be the stored off-site.
3. Financial records can be shredded at the end of their retention period.
4. Appropriate electronic back-ups will be stored in a secure off-site separate from the school or in the cloud.

### RESERVES /INSURANCE/LIABILITIES/ASSETS

#### Funds Balance Reserve

1. A ~~funds balance~~-reserve balance of at least 5% of the total unrestricted General Funds revenues will be maintained.
2. The CFO will provide the CEO and CAO with balance sheets ~~on a monthly-~~  
~~basis~~monthly. It is the responsibility of the CEO, the CAO and the TAS Board of Trustees to understand the school's cash situation. It is the responsibility of the CFO to prioritize payments as needed. The CFO has responsibility for all operations and activities related to financial management.

#### Insurance

1. The CFO will work with the CEO and CAO to ensure that appropriate insurance is maintained at all times with a high-quality insurance agency.
2. The CFO will maintain the files of insurance policies, including an up-to-date copy of all certificates of insurance, insurance policies and procedures, and related claim forms.
3. HR will maintain all workers' compensation documents.
4. The ~~CEO and the~~ CFO will carefully review insurance policies on an annual basis, ~~prior to~~  
~~renewal~~.
5. Insurance will include general liability, worker's compensation, professional liability, and directors' and officers' coverage~~---~~. Coverage will be in line with the limits listed in the school's approved charter petition.

#### Asset Inventory

1. A capitalized asset is defined as all items, purchased or donated, with a value of \$5,000 or more and with a useful life of more than one year.
2. The FSD will maintain documentation on capitalized assets.
3. The FSD or other designated personnel will maintain an inventory or log of capitalized assets. ~~The log will have sufficient information appropriate for documenting assets.~~
4. The CEO and CAO will immediately be notified of all cases of theft, loss, damage or destruction of assets.
5. TAS Board of Trustees will approve a surplus equipment list for disposal of assets.

#### Parking Lot Liability

1. Parking lot related incidences are not covered under any insurance policy. The school assumes no liability for damage to cars:

- a. Parked in the parking lot during school hours
- b. Parked in the parking lot after school hours
2. The only exception to this policy will be when a student is observed by an adult accidentally causing damage to a vehicle while engaged in a school activity, such as physical education equipment breaking a window (e.g. a ball)
3. Otherwise, liability is as follows:
  - a. If a student willfully causes damage (i.e. not an accident as described above), the student's parent or guardian is responsible.
  - b. If a parent or other visitor causes damage, that individual is responsible.
  - c. If an employee causes damage, the employee is responsible.
  - d. If an unknown person causes damage and there is no witness, the affected individual would determine if they have applicable coverage through his/her individual insurance policies.

### **Fundraising**

1. All purchases of fundraising supplies or items will be made or authorized through the FSD when appropriate.
2. A preliminary budget estimate detailing projected net revenue and purpose of the funds will be submitted with the request for initial purchase when funds are needed in advance. The preliminary budget and/or of fundraising purchase request shall be signed by principals.
3. Funds may be raised for the following purposes:
  - a. The cost of field trips for students ~~in excess of~~ more than the budgeted amount.
  - b. Additional supplies, equipment or services for classrooms.
  - c. The cost for ceremonies, incentives, and awards for students.
4. All funds collected will be turned in to the FSD who will be responsible for tracking expenses and revenues by teacher (or grade level depending on how the funds were raised), and providing financial accounting to all involved parties. Funds will be handled as outlined in the Cash Receipts section of this handbook.



